

AMENDED IN SENATE MAY 31, 2005

AMENDED IN SENATE FEBRUARY 16, 2005

SENATE BILL

No. 38

Introduced by Senator Alquist

December 20, 2004

An act to amend Section 12693.70 of the Insurance Code, relating to health care coverage, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 38, as amended, Alquist. Healthy Families Program.

(1) Existing law establishes the Healthy Families Program, administered by the Managed Risk Medical Insurance Board, to arrange for the provision of health services to an eligible person. Existing law provides that a child less than 19 years of age meeting specified requirements, including coming from a family with an annual or monthly household income equal to or less than 200% of the federal poverty level is an eligible person. Existing law also provides that all income over 200% of the federal poverty level, but less than or equal to 250%, is to be disregarded in calculating annual or monthly household income.

This bill would *state the intent of the Legislature to* instead provide that income over 200% of the federal poverty level but less than or equal to 300% is to be disregarded in calculating annual or monthly household income.

(2) Existing law creates the Healthy Families Fund, which is continuously appropriated to the board for the purposes of funding the Healthy Families Program.

Because this bill would result in increased expenditures from the fund by expanding eligibility under the Healthy Families Program, the bill would make an appropriation.

Vote: $\frac{2}{3}$ -majority. Appropriation: ~~yes~~-no. Fiscal committee:
~~yes~~-no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. *It is the intent of the Legislature to,*
2 *notwithstanding Section 12693.70 of the Insurance Code, expand*
3 *eligibility for participation in the Healthy Families Program. To*
4 *be eligible to participate in the program, an applicant would be*
5 *required to meet all of the following:*
6 *(a) Be an applicant applying on behalf of an eligible child,*
7 *which means a child who is all of the following:*
8 *(1) Less than 19 years of age. An application may be made on*
9 *behalf of a child not yet born up to three months prior to the*
10 *expected date of delivery. Coverage shall begin as soon as*
11 *administratively feasible, as determined by the board, after the*
12 *board receives notification of the birth.*
13 *(2) Not eligible for no-cost full-scope Medi-Cal or Medicare*
14 *coverage at the time of application.*
15 *(3) In compliance with Sections 12693.71 and 12693.72.*
16 *(4) A child who meets citizenship and immigration status*
17 *requirements that are applicable to persons participating in the*
18 *program established by Title XXI of the Social Security Act,*
19 *except as specified in Section 12693.76.*
20 *(5) A resident of the State of California pursuant to Section*
21 *244 of the Government Code; or, if not a resident pursuant to*
22 *Section 244 of the Government Code, is physically present in*
23 *California and entered the state with a job commitment or to seek*
24 *employment, whether or not employed at the time of application*
25 *to or after acceptance in, the program.*
26 *(6) (A) In either of the following:*
27 *(i) In a family with an annual or monthly household income*
28 *equal to or less than 200 percent of the federal poverty level.*
29 *(ii) When implemented by the board, subject to subdivision (b)*
30 *of Section 12693.765 and pursuant to this section, a child under*
31 *the age of two years who was delivered by a mother enrolled in*
32 *the Access for Infants and Mothers Program as described in Part*
33 *6.3 (commencing with Section 12695). For purposes of this*
34 *clause, any infant born to a woman whose enrollment in the*
35 *Access for Infants and Mothers Program begins after June 30,*

2004, shall be automatically enrolled in the Healthy Families Program. This enrollment shall cover the first 12 months of the infant's life. At the end of the 12 months, as a condition of continued eligibility, the applicant shall provide income information. The infant shall be disenrolled if the gross annual household income exceeds the income eligibility standard that was in effect in the Access for Infants and Mothers Program at the time the infant's mother became eligible, or following the two-month period established in Section 12693.981 if the infant is eligible for Medi-Cal with no share of cost. At the end of the second year, infants shall again be screened for program eligibility pursuant to this section, with income eligibility evaluated pursuant to clause (i), subparagraphs (B) and (C), and paragraph (2) of subdivision (a).

(B) All income over 200 percent of the federal poverty level but less than or equal to 300 percent of the federal poverty level shall be disregarded in calculating annual or monthly household income.

(C) In a family with an annual or monthly household income greater than 300 percent of the federal poverty level, any income deduction that is applicable to a child under Medi-Cal shall be applied in determining the annual or monthly household income. If the income deductions reduce the annual or monthly household income to 300 percent or less of the federal poverty level, subparagraph (B) shall be applied.

(b) If the applicant is applying for the purchasing pool, and does not have a family contribution sponsor the applicant shall pay the first month's family contribution and agree to remain in the program for six months, unless other coverage is obtained and proof of the coverage is provided to the program.

(c) An applicant shall enroll all of the applicant's eligible children in the program.

(d) In filing documentation to meet program eligibility requirements, if the applicant's income documentation cannot be provided, as defined in regulations promulgated by the board, the applicant's signed statement as to the value or amount of income shall be deemed to constitute verification.

(e) An applicant shall pay in full any family contributions owed in arrears for any health, dental, or vision coverage provided by the program within the prior 12 months.

SECTION 1. ~~Section 12693.70 of the Insurance Code is amended to read:~~

~~12693.70. To be eligible to participate in the program, an applicant shall meet all of the following requirements:~~

~~(a) Be an applicant applying on behalf of an eligible child, which means a child who is all of the following:~~

~~(1) Less than 19 years of age. An application may be made on behalf of a child not yet born up to three months prior to the expected date of delivery. Coverage shall begin as soon as administratively feasible, as determined by the board, after the board receives notification of the birth. However, no child less than 12 months of age shall be eligible for coverage until 90 days after the enactment of the Budget Act of 1999.~~

~~(2) Not eligible for no-cost full-scope Medi-Cal or Medicare coverage at the time of application.~~

~~(3) In compliance with Sections 12693.71 and 12693.72.~~

~~(4) A child who meets citizenship and immigration status requirements that are applicable to persons participating in the program established by Title XXI of the Social Security Act, except as specified in Section 12693.76.~~

~~(5) A resident of the State of California pursuant to Section 244 of the Government Code; or, if not a resident pursuant to Section 244 of the Government Code, is physically present in California and entered the state with a job commitment or to seek employment, whether or not employed at the time of application to or after acceptance in, the program.~~

~~(6) (A) In either of the following:~~

~~(i) In a family with an annual or monthly household income equal to or less than 200 percent of the federal poverty level.~~

~~(ii) When implemented by the board, subject to subdivision (b) of Section 12693.765 and pursuant to this section, a child under the age of two years who was delivered by a mother enrolled in the Access for Infants and Mothers Program as described in Part 6.3 (commencing with Section 12695). For purposes of this clause, any infant born to a woman whose enrollment in the Access for Infants and Mothers Program begins after June 30, 2004, shall be automatically enrolled in the Healthy Families Program. This enrollment shall cover the first 12 months of the infant's life. At the end of the 12 months, as a condition of continued eligibility, the applicant shall provide income~~

1 information. The infant shall be disenrolled if the gross annual
2 household income exceeds the income eligibility standard that
3 was in effect in the Access for Infants and Mothers Program at
4 the time the infant's mother became eligible, or following the
5 two-month period established in Section 12693.981 if the infant
6 is eligible for Medi-Cal with no share of cost. At the end of the
7 second year, infants shall again be screened for program
8 eligibility pursuant to this section, with income eligibility
9 evaluated pursuant to clause (i), subparagraphs (B) and (C), and
10 paragraph (2) of subdivision (a).

11 (B) All income over 200 percent of the federal poverty level
12 but less than or equal to 300 percent of the federal poverty level
13 shall be disregarded in calculating annual or monthly household
14 income.

15 (C) In a family with an annual or monthly household income
16 greater than 300 percent of the federal poverty level, any income
17 deduction that is applicable to a child under Medi-Cal shall be
18 applied in determining the annual or monthly household income.
19 If the income deductions reduce the annual or monthly household
20 income to 300 percent or less of the federal poverty level,
21 subparagraph (B) shall be applied.

22 (b) If the applicant is applying for the purchasing pool, and
23 does not have a family contribution sponsor the applicant shall
24 pay the first month's family contribution and agree to remain in
25 the program for six months, unless other coverage is obtained
26 and proof of the coverage is provided to the program.

27 (c) An applicant shall enroll all of the applicant's eligible
28 children in the program.

29 (d) In filing documentation to meet program eligibility
30 requirements, if the applicant's income documentation cannot be
31 provided, as defined in regulations promulgated by the board, the
32 applicant's signed statement as to the value or amount of income
33 shall be deemed to constitute verification.

34 (e) An applicant shall pay in full any family contributions
35 owed in arrears for any health, dental, or vision coverage
36 provided by the program within the prior 12 months.